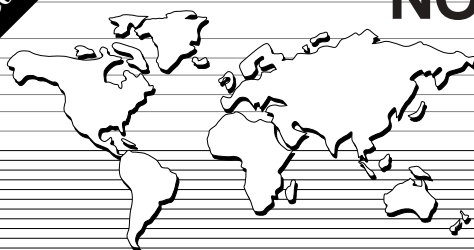




U.S. Department of the Treasury
Office of Foreign Assets Control



NONPROLIFERATION

What You Need To Know About Treasury Restrictions

A summary of the Weapons of Mass Destruction Trade Control Regulations (Title 31 Part 539 of the U.S. Code of Federal Regulations) and Executive Order 13159 dealing with Highly Enriched Uranium

WMD Trade Control Regulations - 31 C.F.R. Part 539

In 1994, President Clinton issued Executive Order 12938 declaring a national emergency with respect to the proliferation of nuclear, biological, and chemical weapons ("weapons of mass destruction") and the means for delivering them. On July 28, 1998, he amended that Order by issuing Executive Order 13094, imposing, among other measures, an import ban on foreign persons determined by the Secretary of State to have engaged in activities related to the proliferation of weapons of mass destruction on or after November 16, 1990. The new import ban has been implemented by the Weapons of Mass Destruction Trade Control Regulations (the "Regulations").

■ **IMPORT BAN** - The Regulations prohibit the direct or indirect importation into the United States, including for transshipment or transit, of any goods, technology, or services produced or provided by the foreign persons designated by the Secretary of State. Importation into the United States of goods or technology is prohibited if undertaken with the knowledge or reason to know that such goods contain raw materials, components, or technology produced or provided by a designated foreign person. No U.S. person (which includes any person within the United States) may finance, act as a broker for, transport, or otherwise participate in the importation into the United States of prohibited goods, technology, or services. Publications, artwork, and other informational materials are exempted from the import ban.

Services are considered to be imported into the United States where either the services or their benefit are received in the United States. The benefit of services is received in the United States if the services are: (1) performed on behalf of or for the benefit of a person located in the United States; (2) received by a person located in the United States; (3) received by a person located outside the United States on behalf of or for the benefit of an entity organized in the United States; or (4) received by an individual temporarily located outside the United States for the purpose of obtaining such services for use in the United States.

■ **FOREIGN PERSONS DESIGNATED BY THE SECRETARY OF STATE** - The following foreign persons (with name variations as shown) have been designated by the Secretary of State as subject to the import ban. Along with any entities owned or controlled by them, they are the current targets of these restrictions. The applicable effective date of the restrictions and citation to the *Federal Register* notice designating the foreign person is given in brackets after that person's name and identifying information.

- BALTIC STATE TECHNICAL UNIVERSITY, wherever located, including 1/21, 1- ya Krasnoarmeiskaya Ul., 198005 St. Petersburg, Russia [63 FR 42089, July 30, 1998]
- CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION (a.k.a. CPMIEC), wherever located, including 3/F, Minxing Building No. 190, 817 (North) Road, Fuzhou City, Fujian Province, China {July 30, 2003}
- CPMIEC (a.k.a. CHINA PRECISION MACHINERY IMPORT/EXPORT CORPORATION), wherever located, including 3/F, Minxing Building No. 190, 817 (North) Road, Fuzhou City, Fujian Province, China {July 30, 2003}
- D. MENDELEYEV UNIVERSITY OF CHEMICAL TECHNOLOGY OF RUSSIA, wherever located, including 9 Miusskaya Sq., Moscow 125047, Russia [64 FR 2935, January 8, 1999]
- ENTEK (a.k.a. NIKIET; a.k.a. RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING [RDIPE]; a.k.a. THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]
- EUROPALACE 2000, wherever located, including Moscow, Russia [63 FR 42089, July 30, 1998]
- GLAVKOSMOS, wherever located, including 9 Krasnoproletarskaya St., 103030 Moscow, Russia [63 FR 42089, July 30, 1998]
- GRAFIT (a.k.a. NIIGRAFIT; a.k.a. STATE SCIENTIFIC RESEARCH INSTITUTE OF GRAPHITE), wherever located, including 2 Ulitsa Elektrodnaya, 111524 Moscow, Russia [63 FR 42089, July 30, 1998]
- KHAN RESEARCH LABORATORIES, Pakistan [68 FR 16114, April 2, 2003 - effective March 24, 2003]

- MAI (a.k.a. MOSCOW AVIATION INSTITUTE), wherever located, including 4 Volokolamskoye Shosse, Moscow 125871, Russia [64 FR 2935, January 8, 1999]
- MIKROSAM, wherever located, including 7500 Prilep, Macedonia [December 24, 2003]
- MOSCOW AVIATION INSTITUTE (a.k.a. MAI), wherever located, including 4 Volokolamskoye Shosse, Moscow 125871, Russia [64 FR 2935, January 8, 1999]
- MOSO COMPANY, wherever located, including Moscow, Russia [63 FR 42089, July 30, 1998]
- NIIGRAFIT (a.k.a. GRAFIT; a.k.a. STATE SCIENTIFIC RESEARCH INSTITUTE OF GRAPHITE), wherever located, including 2 Ulitsa Elektrodnyaya, 111524 Moscow, Russia [63 FR 42089, July 30, 1998]
- NIKIET (a.k.a. ENTEK; a.k.a. RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING [RDIPE]; a.k.a. THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]
- NORINCO (a.k.a. NORTH CHINA INDUSTRIES CORPORATION), China [68 FR 28314, May 23, 2003 - effective May 9, 2003]
- NORTH CHINA INDUSTRIES CORPORATION (a.k.a. NORINCO), China [68 FR 28314, May 23, 2003 - effective May 9, 2003]
- RDIPE [RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING] (a.k.a. ENTEK; a.k.a. NIKIET; a.k.a. THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]
- RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING [RDIPE] (a.k.a. ENTEK; a.k.a. NIKIET; a.k.a. THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]
- SAMAKOSKI, Blagoja; nationality Macedonian (individual) [December 24, 2003]
- SHAHID HEMMAT INDUSTRIAL GROUP, Iran [68 FR 28315, May 23, 2003 - effective May 9, 2003]
- STATE SCIENTIFIC RESEARCH INSTITUTE OF GRAPHITE (a.k.a. GRAFIT; a.k.a. NIIGRAFIT), wherever located, including 2 Ulitsa Elektrodnyaya, 111524 Moscow, Russia [63 FR 42089, July 30, 1998]
- THE SCIENTIFIC RESEARCH AND DESIGN INSTITUTE OF POWER TECHNOLOGY (a.k.a. ENTEK; a.k.a. NIKIET; a.k.a. RESEARCH AND DEVELOPMENT INSTITUTE OF POWER ENGINEERING [RDIPE]), wherever located, including 101000, P.O. Box 788, Moscow, Russia [64 FR 2935, January 8, 1999]

Executive Order 13159 dealing with HEU

A major national security goal of the United States is to ensure that fissile material removed from Russian nuclear weapons pursuant to various arms control and disarmament agreements is dedicated to peaceful uses and protected from diversion to activities of proliferation. In 1993, the United States and the Russian Federation entered into an international agreement for the conversion of highly enriched uranium ("HEU") extracted from Russian nuclear weapons into low enriched uranium for use in commercial nuclear reactors. Under these agreements, 500 metric tons of highly enriched uranium will be converted to low enriched uranium over a 20 year period; this is the equivalent of 20,000 nuclear warheads.

On June 21, 2000, President Clinton issued Executive Order 13159 "blocking property of the Russian Federation relating to the disposition of highly enriched uranium extracted from nuclear weapons." This Order is explicitly directed at the property used to implement the agreements and prevents attachment or garnishment in the United States. It is meant to protect a very specific set of assets, which will be clearly defined by regulations, orders, directives, or licenses issued by the U.S. Treasury Department's Office of Foreign Assets Control and does not block any property or interests in property of the government of the Russian Federation not directly related to the implementation of the agreements. The Office of Foreign Assets Control has issued the Highly Enriched Uranium (HEU) Agreement Assets Control Regulations, 31 C.F.R. Part 540, in connection with this Executive Order.

If you have information regarding possible violations of either of these programs, please call the Treasury Department's Office of Foreign Assets Control at 202/622-2430. Your call will be handled confidentially.

This document is explanatory only and does not have the force of law. The Executive Orders and implementing regulations contain the legally binding provisions governing these restrictions. The document does not supplement or modify the Executive Orders or Regulations from a legal perspective.

The Treasury Department's Office of Foreign Assets Control also administers sanctions programs involving Libya, Iraq, targets in the Western Balkans, targets in Zimbabwe, Cuba, Liberia, North Korea, Iran, Syria, Sudan, diamond trading designated international narcotics traffickers, international Terrorists, Foreign Terrorist Organizations, and Burma (Myanmar). For additional information about these programs or about the Weapons of Mass Destruction Trade Control Regulations or the Highly Enriched Uranium (HEU) Agreement Assets Control Regulations, please contact the:

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